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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/645,065	08/24/2000	Wendy Hufford	GES-0005	2863
28062	7590	02/27/2004	EXAMINER	
BUCKLEY, MASCHOFF, TALWALKAR LLC 5 ELM STREET NEW CANAAN, CT 06840			PASS, NATALIE	
			ART UNIT	PAPER NUMBER
			3626	

DATE MAILED: 02/27/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

**Application No.**

09/645,065

**Applicant(s)**

HUFFORD, WENDY

**Examiner**

Natalie A. Pass

**Art Unit**

3626

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) Responsive to communication(s) filed on 26 January 2004.
- 2a) This action is **FINAL**.                            2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) Claim(s) 20-29 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) Claim(s) \_\_\_\_\_ is/are allowed.
- 6) Claim(s) 20-29 is/are rejected.
- 7) Claim(s) \_\_\_\_\_ is/are objected to.
- 8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) All    b) Some \* c) None of:
  1. Certified copies of the priority documents have been received.
  2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |  |
|--|--|
| <ol style="list-style-type: none"> <li>1)<input checked="" type="checkbox"/> Notice of References Cited (PTO-892)</li> <li>2)<input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)</li> <li>3)<input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br/>Paper No(s)/Mail Date _____.</li> </ol> | <ol style="list-style-type: none"> <li>4)<input type="checkbox"/> Interview Summary (PTO-413)<br/>Paper No(s)/Mail Date. _____.</li> <li>5)<input type="checkbox"/> Notice of Informal Patent Application (PTO-152)</li> <li>6)<input type="checkbox"/> Other: _____.</li> </ol> |
|--|--|

## **DETAILED ACTION**

### ***Notice to Applicant***

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 26 January 2004 has been entered.
  
2. This communication is in response to the Request for Continued Examination and amendment filed 26 January 2004. Claims 1-19 have been cancelled. Claims 20-29 have been newly added. Claims 20-29 remain pending.

### ***Claim Rejections - 35 USC § 112***

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:  

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.
  
4. Claims 20-29 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.
  
5. The term "significant risk of litigation" in claims 20-29 is a relative term which renders the claims indefinite. The term " significant risk of litigation " is not defined by the claim, the

specification does not provide a standard for ascertaining the requisite degree, and one of ordinary skill in the art would not be reasonably apprised of the scope of the invention..

6. The rejection of claims 14-16 under 35 U.S.C. 112, second paragraph is hereby withdrawn due to the amendment filed 26 January 2004.

***Claim Rejections - 35 USC §101***

7. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requires of this title.

8. Claims 20-23 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

In the present case, claims 20-23 only recite abstract ideas. The recited claims detailing the steps of receiving reports, identifying business practices, evaluating reports, determining that the business practices present significant risks of litigation, and issuing alerts do not apply, involve, use, or advance the technological arts since the remainder of the recited steps can be performed in the mind of the user or by use of a pencil and paper. These steps only constitute different parts of a method for early warning of potential litigation.

In this regard the Examiner notes that although claim 20 recites "receiving at a computer," which is included in the technological arts, "a report," this report is merely stored to be read or outputted by a computer without any functional interrelationship, and thus does not impart functionality to the computer, rendering it an example of non-functional descriptive material per se; furthermore, the remainder of the claim limitations of claims 20-23 fail to apply, involve, use, or advance the technological arts.

Additionally, for a claimed invention to be statutory, the claimed invention must produce a useful, concrete, and tangible result. In the present case, the claimed invention produces a possible alert that identifies a business practice as a significant risk of litigation. The results cannot be assured (i.e., not repeatable). If the alert were to be issued it could then be used in distributing resource allocations in a timely manner (i.e., useful and tangible).

Although the recited process produces a useful, and tangible result, the claims lack concreteness, and in addition, since the claimed invention, as a whole, is not within the technological arts as explained above, claims 20-23 are deemed to be directed to non-statutory subject matter

9. The rejection of claims 1-4, 6, 13 and 19 under 35 U.S.C. 101 is hereby withdrawn due to the amendment filed 26 January 2004.

***Claim Rejections - 35 USC § 103***

10. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

11. Claims 20-29 are rejected under 35 U.S.C. 103(a) as being unpatentable over Heckman et al, U.S. Patent Number 5, 875, 431.

(A) As per claim 20, Heckman teaches a method comprising receiving at a computer a report from outside counsel (Heckman; column 6, line 24 to column 7, line 36, column 9, lines 6-20, column 13, line 57 to column 14, line 12, column 14, line 56 to column 15, line 2, column 15, line 50 to column 16, line 2, column 19, lines 60-64, column 20, lines 35-47, column 22, line 66 to column 23, line 36, column 24, lines 21-23); identifying a business practice to which the report is relevant (Heckman; column 13, line 34 to column 14, line 28, column 15, line 49 to column 17, line 20); determining that the business practice presents a significant risk of litigation (Heckman; see at least Figure 4, column 7, line 14 to column 8, line 4, column 8, lines 5-20, 38-62, column 10, line 57 to column 12, line 28, column 13, lines 1-31, column 17, lines 23-42); and

issuing an alert or notification that identifies the business practice as a significant risk of litigation (Heckman; column 7, line 21 to column 8, line 20, column 11, lines 17-40, 47-61, column 13, line 58 to column 14, line 9, column 20, lines 35-61, column 21, lines 15-26, column 22, line 12 to column 23, line 15).

Heckman fails to explicitly disclose evaluating the report relative to the business practice to determine whether the report is indicative of a risk of litigation. However Heckman does teach evaluation of all the resources involved (Heckman; see at least Figure 3, Figure 4, column 5, lines 47-52, column 7, lines 4-11), and Heckman teaches a structured analysis of each case (Heckman; see at least column 7, line 15 to column 8, line 4).

It is respectfully submitted, that it would have been obvious, to one having ordinary skill in the art at the time the invention was made, to expand the system taught by Heckman to include evaluating the report relative to the business practice to determine whether the report is indicative of a risk of litigation with the motivation of managing litigation and other legal matters, cost control, and outcome prediction and evaluation (Heckman; column 4, lines 53-55).

(B) As per claims 21-23, Heckman teaches a method as analyzed and

discussed in claim 20 above, further comprising:

logging the alert in a database (Heckman; column 15, lines 4-37, column 16, line 16 to column 17, line 20, column 18, line 64 to column 19, line 23, column 20, lines 17-47, column 24, lines 14-51, column 25, lines 1-36);

updating the database to indicate that corrective action has been taken relative to the logged alert (Heckman; column 15, lines 4-37, column 16, line 16 to column 17, line 20, column

18, line 64 to column 19, line 23, column 20, lines 17-47, column 24, lines 14-51, column 25, lines 1-36); and

confirming that the corrective action remains in place (Heckman; column 15, lines 4-37, column 16, line 16 to column 17, line 20, column 18, line 64 to column 19, line 23, column 20, lines 17-47, column 24, lines 14-51, column 25, lines 1-36).

(C) Article of manufacture claims 24-25 repeat the subject matter of method claims 20-23, respectively, as a set of article of manufacture elements rather than a series of steps. As the underlying processes of claims 20-23 have been shown to be fully disclosed by the teachings of Heckman in the above rejections of claims 20-23, it is readily apparent that the method disclosed by Heckman includes the article of manufacture to perform these functions. As such, these limitations are rejected for the same reasons given above for method claims 20-23, and incorporated herein.

(D) Computer program product claims 26-27 repeat the subject matter of method claims 20-23, respectively, as a set of computer program product elements rather than a series of steps. As the underlying processes of claims 20-23 have been shown to be fully disclosed by the teachings of Heckman in the above rejections of claims 20-23, it is readily apparent that the method disclosed by Heckman includes the computer program product to perform these functions. As such, these limitations are rejected for the same reasons given above for method claims 20-23, and incorporated herein.

(E) System claims 28-29 repeat the subject matter of method claims 20-23, respectively, as a set of apparatus elements rather than a series of steps. As the underlying processes of claims 20-23 have been shown to be fully disclosed by the teachings of Heckman in the above rejections of claims 20-23, it is readily apparent that the method disclosed by Heckman includes the apparatus to perform these functions. As such, these limitations are rejected for the same reasons given above for method claims 20-23, and incorporated herein.

*Response to Arguments*

12. Applicant's arguments filed 26 January 2004 have been fully considered but they are not persuasive. Applicant's arguments will be addressed hereinbelow in the order in which they appear in the response filed 26 January 2004.

13.

(A) At page 6 of the 26 January 2004 response, Applicant argues that a rejection under 35 USC §101 would not be appropriate for the claims newly added in the 26 January 2004 amendment since claim 20, in particular, recites receiving at a computer a report from outside counsel. In response, while it is true that claim 20 recites among other limitations a computer receiving a report, the computer mentioned in the noted limitation functions as non-functional descriptive material, which renders it not statutory. Non-functional descriptive material, or material that is merely stored to be read or outputted by a computer without any functional interrelationship, does not impart functionality to the computer. Examiner notes that independent

claims 24, 26, and 28 do provide such a functional interrelationship as they are claims to a computer readable medium encoded with functional descriptive material and to a computer program product that can function with a computer to effect a practical application that results in a useful, concrete and tangible result.

Furthermore, although claims 21-23 recite the term "database," the Examiner gives the term "database" its broadest reasonable interpretation. In particular, a database is not limited to an electronic or computerized data repository, but is broad enough to denote non-computerized collections of data, e.g., a file cabinet or paper list of stored information, such as a telephone book.

(B) At pages 6-8 of the 26 January 2004 response, Applicant argues that the features in the Application are not taught or suggested by the applied references. In response, all of the limitations which Applicant disputes as missing in the applied references, including the newly added features in the 26 January 2004 amendment, have been fully addressed by the Examiner as either being fully disclosed or obvious in view of the teachings of Heckman, based on the logic and sound scientific reasoning of one ordinarily skilled in the art at the time of the invention, as detailed in the remarks and explanations given in the preceding sections of the present Office Action and in the prior Office Actions (papers number 6 and 8), and incorporated herein. In particular, Examiner notes that the recited features of identifying a business practice to which a report is relevant, determining that the business practice presents a significant risk of litigation, evaluating the resources involved, determining the risk of litigation and issuing an alert or notification regarding these risks are taught by the applied reference (Heckman; Figure 3, Figure

4, column 5, lines 47-52, column 6, line 24 to column 8, line 20, column 8, lines 38-62, column 9, lines 6-20, column 10, line 57 to column 12, line 28, column 13, line 1 to column 14, line 28, column 14, line 56 to column 15, line 2, column 15, line 49 to column 17, line 42, column 19, lines 60-64, column 20, lines 35-61, column 21, lines 15-26, column 22, line 12 to column 23, line 36, column 24, lines 21-23).

As per Applicant's argument at pages 7-8 of the 26 January 2004 response that the applied reference does not teach or suggest identifying a business practice as a significant risk of litigation, Examiner notes that medical malpractice, products liability, environmental remediation, intellectual property litigation, patent infringement, and breach of contract, as taught by the applied reference (Heckman; column 2, lines 33-36, column 7, lines 14-35), represent business practices identified as having potential risks of litigation.

### ***Conclusion***

14. The prior art made of record and not relied upon is considered pertinent to Applicant's disclosure. The cited but not applied article teaches the environment of forecasting risks of litigation.

Heller, Paul H., Somerville, and Rein, Pharma and Biotech Patent Litigation: Economics, Risks, Problems and Lessons. American Conference Institute, May 15, 1997. [Retrieved on February 20, 2004]. Retrieved from the Internet: <URL: <http://www.kenyon.com/pdf/1119.pdf>>.

15. Any response to this action should be mailed to:

**Commissioner of Patents and Trademarks  
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or faxed to: **(703) 305-7687.**

For informal or draft communications, please label  
“PROPOSED” or “DRAFT” on the front page of the  
communication and do NOT sign the communication.

After Final communications should be labeled "Box AF."  
Hand-delivered responses should be brought to Crystal Park 5,  
2451 Crystal Drive, Arlington, VA, Seventh Floor (Receptionist).

16. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Natalie A. Pass whose telephone number is (703) 305-3980. The examiner can normally be reached on Monday through Thursday from 9:00 AM to 6:30 PM. The examiner can also be reached on alternate Fridays.

17. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas, can be reached at (703) 305-9588. Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Receptionist whose telephone number is (703) 308-1113.

*NP*  
Natalie A. Pass

February 20, 2004

*Alexander Alexander  
Natalie Passowek  
AU 3626  
Primary Examiner*